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NORTH AMERICAN REVIEW.

No. CCCCLI.

JUNE, 1894.

PROTECTION AND THE PROLETARIAT.

BY THE SECRETARY OF AGRICULTURE.

THE social and political organism of the American Republic is made up of two distinct classes of humanity. One class represents Industry, Temperance, Frugality, and Self-denial ; and is, therefore, self-reliant, and, consequently, self-respecting. The person who cannot have confidence in himself, against all competitors, in the struggle for existence, cannot respect himself nor command the respect of others. The power to repress one's desires and appetites and to deny their excessive gratification, is the foundation of self-reliance and self-respect, which are the basis of good citizenship. The government of self, vested in each citizen, is the integral condition precedent of self-government for the masses—for the concrete, the composite government of the Republic. When individuals and classes of individuals evolve the idea of manipulating the machinery of government, so as to prescribe privileges for themselves and taxation and burdens for the masses, the first symptoms of Communism become apparent.

The business of the Federal Government, as defined by the Constitution, did not comprehend a tariff purely for protection. The Federation of the States, prior to the adoption of the Constitution, permitted restriction and taxation upon trade between the members of that Federation. But the Constitutional Convention which met in Philadelphia in June, 1787, after great deliberation and earnest discussion decided and declared that

there should never be any restriction upon trade between the States of the American Union, either in the form of a tariff for revenue or for protection, but that interstate commerce should be absolutely free. And now the United States are, in their general thrift and wealth, a verification of the prosperousness and righteousness of unrestricted commerce.

On December 24, 1825, Thomas Jefferson addressed a letter to James Madison, inclosing a paper which he called "A solemn Declaration and Protest of the Commonwealth of Virginia, on the principles of the Constitution of America, and on the violation of them." And in the eighth section of this Protest we find the following language :

"This Assembly does further disavow, and declare to be most false and unfounded, the doctrine that the compact in authorizing its federal branch to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States, has given them thereby a power to do whatever *they* may think and pretend would promote the general welfare, which construction would make that, of itself, a complete government, without limitation of powers; but that the plain sense and obvious meaning was that they might levy the taxes necessary to provide for the general welfare by the various acts of power therein specified and delegated to them, and by no others."

Subsequent to that time, however, the doctrine of Protection found many advocates, who saw that, under the pretense of "promoting the general welfare," they might so use the taxing power as to shut out foreign competitors, in certain lines of manufacture, from the markets of the United States, and thereby secure their monopoly to themselves. Under adroit interpretation and with felicitous fallacies, the "public welfare" clause was made to appear as providing for the building up of the sickly and precarious industries, by levying taxes upon all those other industries which were neither sickly nor of doubtful strength and success; and thus the so-called "American System" found its first footing in public confidence and esteem. But, instead of relinquishing, as the years have swept over the Republic, any of the privileges which protection guaranteed, in the first place, to its wards, the protectees, they have multiplied those privileges from year to year, under various pretexts, until now, after a quarter of a century of the Morrill Tariff, the American people have been commercially salivated and atrophied by the McKinley tariff and its more malignant discriminations in behalf of privileged classes. During all these decades of protection, there has

been evolved a great multitude of millionaires. They have been planted in, and fertilized by, a misuse of the power of governments to tax either subjects or citizens. Instead of that sovereign force being used for the legitimate purpose of raising revenues with which to maintain and defend civil government, formed so that *all* might, could, and would protect the natural rights of *each*, it has been perverted to taxing the many for the benefit and enrichment of the few. Thus the masses of the American people have witnessed the creation of wealth, by statute, out of the earnings of themselves, through the impost of unjust taxes in behalf of the manufacturing classes.

Gradually the idea has pervaded the public mind that wealth may be created by the mere "be it enacted" of the lawmaking power, until now it is plain that the first strike in the United States was that of capital for higher profits. Capital demanded and received from Congress the enactment of laws which secured to it, by shutting out foreign competition, higher profits than could possibly be earned in a condition of perfect commercial freedom. And the law-making power conceded all that capital asked. The Morrill Tariff and the McKinley Tariff were the concessions made by Congress to those who asked for laws which should compel larger dividends upon all the dollars which they had invested in certain lines of business. And, logically, labor petitioned the same lawmaking power to "enact" higher wages, prosperity, and leisure for laborers. First came, in response to labor's importunity, the statute declaring eight hours a legal day's work, when no legislature ever existed wise enough to say how many hours should make a day's work for any human being. Other restrictive laws have followed—among them the law regulating the rates upon railroads, the Oleomargarine law, the Interstate Commerce Act, and, in the various States, many similar statutes patterned after and spawned of the protective system.

And now, after all this experimentation under the Protective Tariff, we find vast numbers of idle men seeking legislation in their own behalf, and among these workless thousands is, beyond question, largely represented that other class of citizenship which embodies the Indolent, the Intemperate, and the Improvident. These citizens seem sadly lacking in self-reliance, and, therefore, in self-respect; but not at all lacking in imitative power. And, therefore, boldly, they approach Washington, for the avowed pur-

pose of demanding and securing legislation partial to themselves and in their own interests, regardless of all other interests. They ask that the Government of the United States shall legislate directly to promote their welfare, and, like the protectionists, they proclaim *that* the "public welfare," as intended by the Constitution. They propose that the money which self-denial, industry, and economy have gathered together and loaned to the Government for its protection in its hour of peril, shall cease to draw interest. They declare that the first class named in this paper shall be paid nothing for the use of the accumulated capital which their industry and frugality have acquired. They demand still further that the Government of the United States shall issue \$500,000,000 of greenbacks, and loan the same, without interest, to such municipalities as may desire to make internal improvements, upon condition that those municipalities shall bond themselves to an extent not exceeding one-half their assessed valuation, and deposit the bonds with the Secretary of the Treasury, who, deducting one per cent. for the cost of printing and engraving, shall at once issue legal tender money for that amount. This proposed circulating medium is to be non-convertible into coin. The theory of these vagrant economists is, that the Government can create value in mere promises for which they provide no fulfilment—no redemption. This kind of inconvertible money has been tried time and again by governments older than ours, and always with disaster. No one, with good reasoning faculties, can even attempt to defend an inconvertible currency. Neither an individual nor a government can do financial wrong, without having to atone for it by financial suffering. The first proposition of these petitions in boots, is to violate a solemn obligation on the part of the Government of the United States, which issued bonds, upon which it promised, by its sacred honor, to pay interest. This pledge, given in a time of dire national calamity and distress, furnished the sinews of war which preserved the Government and the Union. And yet this misnamed Army of the Commonwealth of Christ proposes primarily to violate the nation's faith and to cease paying the interest which it agreed to pay. A citizenship which makes its first attempt at formulating laws for the land by a proposed violation of the public faith, which would condemn us as a Nation of Liars and Cheats, can do nothing to promote morality and the "general welfare."

These nomads have very crude ideas as to money and its functions. They do not seem to know that money has never been successfully made by any government, out of any material which did not have value as a commodity before it became money. They confound the *promise* printed upon a greenback, to pay a dollar, with the *dollar itself*. If their theory is good in money matters, they should adapt it to dietary concerns; and then, by a parity of reasoning, meal tickets will be as nourishing as meals. They do not realize that the late panic, and the general perturbation in financial and business circles, could never have been evolved out of anything else than a redundant circulating medium. No panic ever came to this or any other country, out of a volume of currency just sufficient for the legitimate exchanges of the people. Every monetary cyclone has followed barometrical indications of great volume and high pressure in the circulating medium. The panic of 1837, the panic of 1857, and the panic of 1873, together with the panic of 1893—each came out of a very large per-capita circulation. A redundancy in the currency makes credits easy, confidence serene and venturesome to foolhardiness. These conditions breed speculations of the most visionary character, and the vagaries of hare-brained promoters find capitalists with idle funds, ready to invest in the wildest schemes; until at last reason awakes, the fallacies are apparent, the dangers imminent, confidence is wrecked, and disaster logically follows. Moreover, these wandering Commonwealers complain that the wealthy are storing their money in strong boxes and not using it. Proletariats forget that money is the one thing that man struggles for, which never confers any blessing until it leaves him in exchange for something else which he desires. If the leaders of the proletarian brigades now making towards Washington could sequester all the money of the Goulds, Vanderbilts, and Astors, and have it in peaceable possession, upon condition that it should be forever locked up, they would be as poor as the poorest private in their bedraggled armies. The discontented proletariats seem unaware of the fact that the money in the banks of the United States to-day is as anxious to be had and to be used as the people are to have and to use it. But money at present, as in all time, seeks investment only upon good collaterals—safe security. To be sure, there are large sums of currency in the great populational and trade centers of the

Union. But the money is there legitimately and logically, because in those centers are the great and numerous exchanges ; and where multitudes of exchanges are to be made, there money will be also, always. Being a mere tool to facilitate exchanges, it can find nothing to do in sections where no trades are being made. There currency would be as useless as a sawmill in the great American Desert, five hundred miles from timber on either side.

These peripatetic proletariats declare that there is a great *demand* for money in the West and South. Evidently they fail to distinguish between a *demand* for money and the almost universal *desire* for it. A demand for money can never be legitimately made, except when something of value is offered in exchange for it—something that the owner of the money may desire more than the money itself. To illustrate : proletarian cohorts now on this 30th day of April, 1894, camped on the outskirts of Washington, may *desire* terrapin, planked shad, roast beef, turkey, and champagne, but their exchequer forbids rations of that quality ; and, therefore, though they may have ever so much *desire*, they make no *overt demand* for such a money-costing dietary. The proletariats say they are in pursuit of work, but so far they indicate only a desire to “work” Congress for special legislation, as the Protectionists have for, lo, these many years.

Among these hundreds of misguided persons, there are probably not one dozen who own homes, either in the country, in villages, in cities, or anywhere else. The majority of them are as homeless, as taxless, and as nomadic as the Aborigines of this continent. If a life history of each individual of the “Coxey Army” could be truthfully written, it would show, no doubt, that, with a few honorable exceptions, the multitude now following the reincarnations of John Lowism, Greenbackism, and all the other isms of ancient and modern times, have, each one of them, paid out, from birth to date, more money for tobacco, whiskey, and beer than for clothing, education, taxes, and food, all put together.

“*Nihil agendo homines male agere discunt*”—by doing nothing men learn to do ill. And the proletariat has learned of the protectionist. And putting the precepts of protection into practice, the proletariat petitions for pecuniary aid from the Government, and proclaims for paternalism by the American Republic.

J. STERLING MORTON.